

1967 ANNUAL REPORT

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THIRTY-FIFTH ANNIVERSARY



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CANADIAN INVESTMENT FUND, LTD.

Canada's First Mutual Fund

C-I-L HOUSE, MONTREAL 2
Executive Offices
CANADIAN INVESTMENT FUND, LTD.
Twenty-Ninth Floor





DIRECTORS

GRAHAM F. TOWERS, C.M.G., *Chairman*

HENRY BORDEN, C.M.G. NORRIS R. CRUMP
THE HON. F. P. BRAIS, C.B.E. DONALD GORDON, C.M.G.
HUGH BULLOCK, K.B.E. G. BLAIR GORDON
ALAN CHIPPINDALE G. ARNOLD HART, M.B.E.
WILLIAM S. KIRKPATRICK

Supervised by

CALVIN BULLOCK
LTD.
Established 1894

Custodian

The Royal Trust Company
Montreal

Transfer Agents

The Royal Trust Company

Montreal *Toronto*

Winnipeg *Vancouver* *Calgary*
Charlottetown

The Trust Company of New Jersey
Jersey City, N.J.

Auditors

Messrs. Price Waterhouse & Co.
Montreal

Canadian Investment Fund, Ltd.

REPORT TO SHAREHOLDERS

For the fiscal year ended December 31, 1967

As Canada's original and most experienced mutual fund, organized in 1932, your Company has now completed thirty-five years in the service of investors in Canada and elsewhere.

1967 was another successful year for your Company. Dividends paid per share and in total reached record levels in 1967 and the value of net assets, both per share and in total, rose, as did profits on investments, both realized and unrealized. Moreover, the ratio of expenses remained at the same low level of the previous year.

Formed to provide a supervised medium for diversified investment in Canadian resources and enterprise by investing primarily in a broad cross-section of high grade common stocks, your Company has consistently sought a balance between reasonable income and capital growth possibilities, while having regard also for the safety of shareholders' capital. The measure of achievement of these objectives from that time to the end of last year is indicated by the 269% increase in the annual dividend rate, and the rise in per share net asset value of 340%. This record far more than offset the decline in the purchasing power of money caused by inflation during the period.

Continuing purchases of shares were made during the year by prominent employer pension funds as well as by many hundreds of individuals, large and small, in all walks of life and by religious, charitable and labour institutions, etc., and corporations. It is indeed a pleasure to welcome these new shareholders and to take this opportunity to assure new and old shareholders alike that every effort will be made to provide a satisfactory investment experience consistent with the Company's objectives.

THE YEAR 1967

Total net assets of your Company at the end of 1967 amounted to \$175,987,248, up \$6,931,156 from the end of 1966. Outstanding shares numbered 44,125,612. These shares were held by 24,596 registered shareholders (a figure which does not count separately many thousands of investors holding shares registered in the names of a few nominees and depositaries).

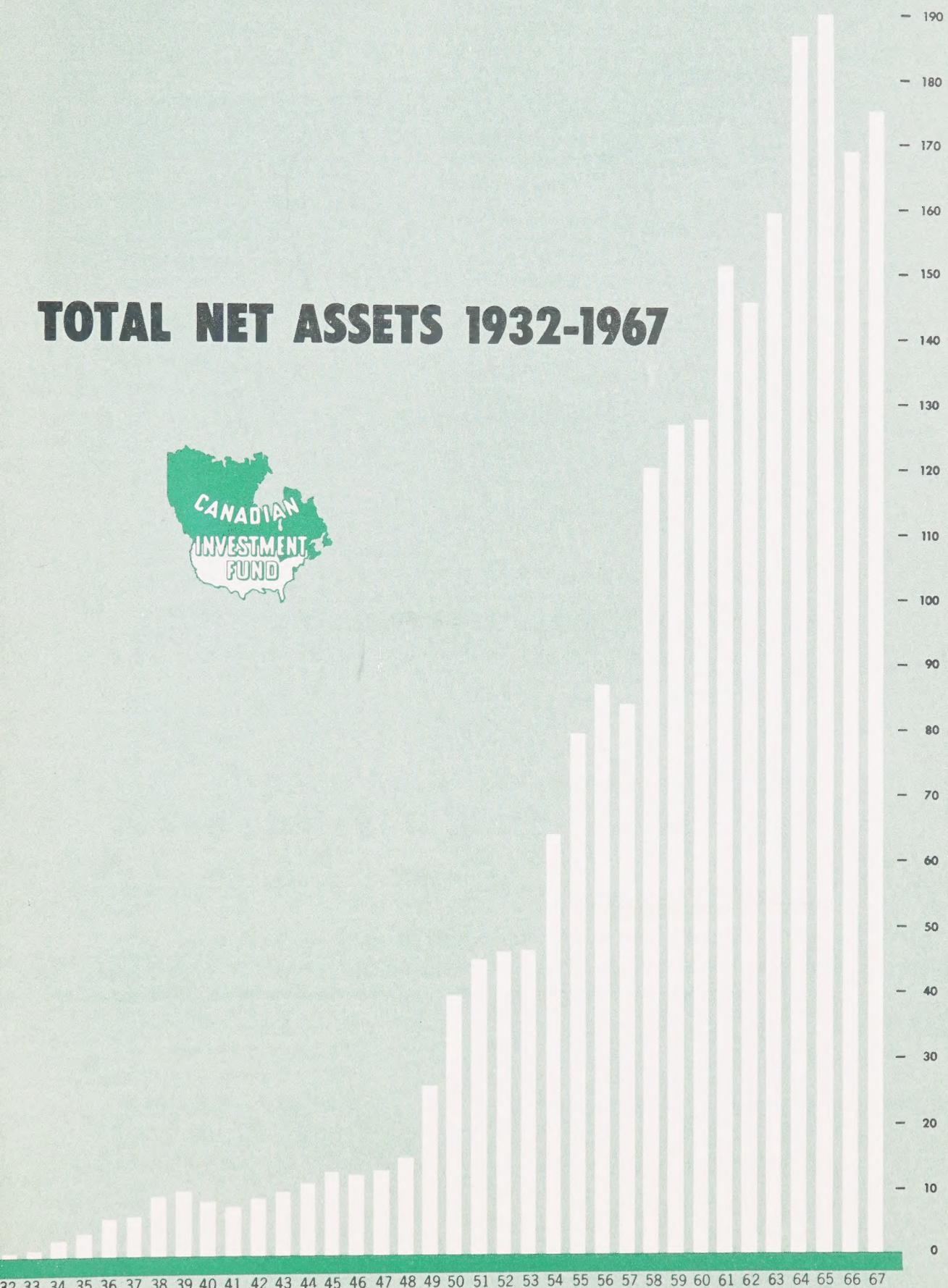
Dividends paid last year scored a further gain to a record 16¢ per share, up 3% over 1966 and up 6% over 1965. In addition to the high quality of the stocks in its portfolio, your Company continued to have insurance against unforeseen contingencies during the year in the form of cash and government bonds, which afforded relatively high income.

At the year end the balance of realized profits on sales of investments stood at \$31,969,540 and, in addition, the market value of investments exceeded cost by \$47,609,444.

REVIEW OF THE YEAR AT A GLANCE

	1967 December 31	1966 December 31
TOTAL NET ASSETS AT MARKET	\$175,987,248	\$169,056,092
SHARES OUTSTANDING	44,125,612	45,828,950
MARKET VALUE OF INVESTMENTS	\$170,972,317	\$162,944,899
COST OF INVESTMENTS	\$123,362,873	\$124,333,595
UNREALIZED PROFITS	\$ 47,609,444	\$ 38,611,304
BALANCE OF REALIZED PROFITS	\$ 31,969,540	\$ 26,885,542
PER SHARE NET ASSET VALUE	\$3.988	\$3.689
	1967	1966
DIVIDENDS PAID PER SHARE	16¢	15½¢
CASH DIVIDENDS PAID IN YEAR	\$ 7,225,608	\$ 7,066,551

\$ MILLIONS



SHAREHOLDERS

The chart below reflects the substantial increase in the number of shareholders in the past 20 years. They are to be found in every province of Canada, and in many parts of the United States, as well as in the United Kingdom, Continental Europe, South America, South Africa, and elsewhere around the world.

Shareholders include individuals from practically every walk of life as well as many kinds of institutions. Those who became shareholders during 1967 are cordially welcomed.

INDIVIDUALS & INSTITUTIONS



men

women, children

business executives, farmers

financial people, doctors, nurses

clergymen, judges, lawyers

officers in all the armed services

pension funds, lodges, churches, libraries, hospitals

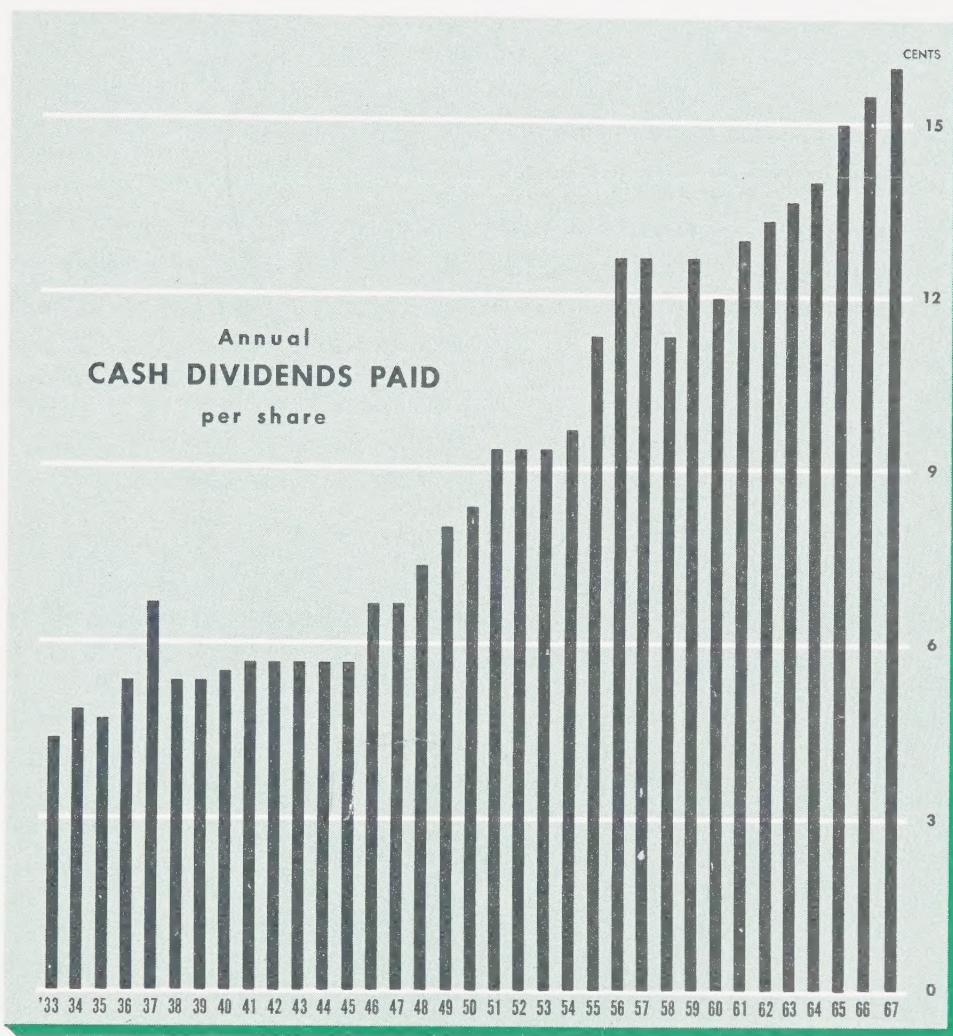
commercial and financial corporations, insurance companies

SHAREHOLDER BENEFITS AND LONG TERM RECORD

At the 1967 year end, cumulative benefits to shareholders — cash dividends paid over \$84,000,000, balance of profits realized on investments over \$31,000,000, and unrealized profits of over \$47,000,000 — totalled well over \$160,000,000.

As graphically shown on page 10, combined appreciation and dividends on the net asset value of your Company's shares, from date of organization to December 31, 1967 amounted to 742%. An assumed investment of \$1,000 in shares of Canadian Investment Fund, Ltd. at the initial offering price December 5, 1932, with dividends reinvested* and after making full provision for total round trip buying and selling costs, could have been liquidated at the end of last year for \$15,908.

*No provision for income taxes, if any, payable by investor on dividends.



CASH DIVIDENDS PAID

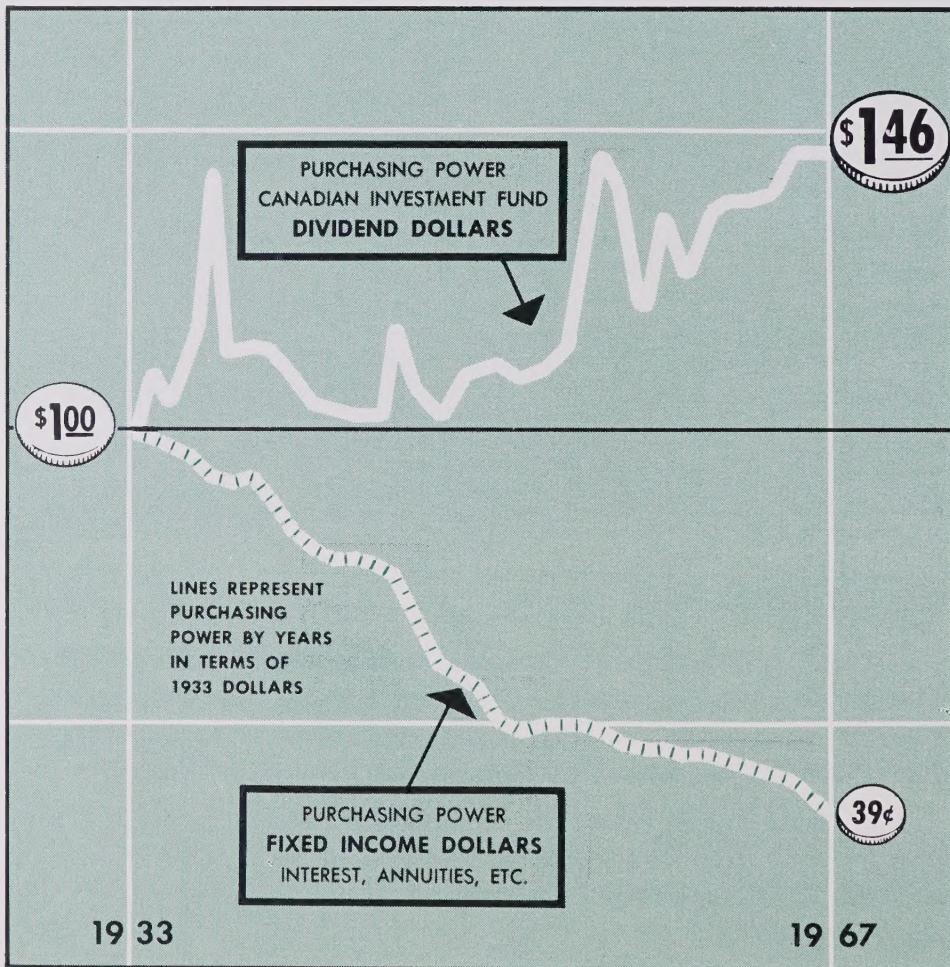
Dividends paid in 1967 totalled a new record 16¢ per share. While the amount received from dividends in stock, stock dividends and rights was negligible during the year, cash income from dividends and interest, per share, was higher than in 1966.

The chart above shows the substantial growth in annual dividends paid by your Company. At the end of 1967, your Company had paid 139 consecutive quarterly cash dividends totalling more than \$84,000,000.

35 YEARS OF PROTECTION AGAINST INFLATION

Although inflation has seriously reduced the purchasing power of money, shareholders of Canadian Investment Fund have enjoyed protection of both their income and their capital from the effects of this inflation for the past 35 year period.

Income Protection: While variable from year to year, the chart below portrays the income protection afforded by your Company's dividends against the loss in purchasing power of the Canadian dollar over the period shown. This is compared with the steady loss in purchasing power of fixed dollar income such as annuities, interest from bonds and mortgages, etc.



Capital Protection: The Company's shareholders also enjoyed a large margin of protection for their capital. For example, a \$10,000 investment in Canadian Investment Fund at offering price on January 1, 1933 could have been liquidated for \$39,221 on December 31, 1967 showing a capital gain of 292% compared with the inflationary rise of 153% in the official cost-of-living index in the period, which was used for this and the preceding calculations.

POLICY

The continuing policy of Canadian Investment Fund, Ltd. is to invest primarily in a broadly diversified selection of high grade, dividend paying common stocks, while having due regard for the protection of its shareholders' capital. A balance is sought between reasonable income and capital growth possibilities.

In following these conservative policies, it is the purpose of your Company to combine in a single security high degrees of the cardinal principles of sound investment, namely:

- *Protection of Capital*
- *Marketability*
- *Reliable Income*
- *Opportunity for Growth*

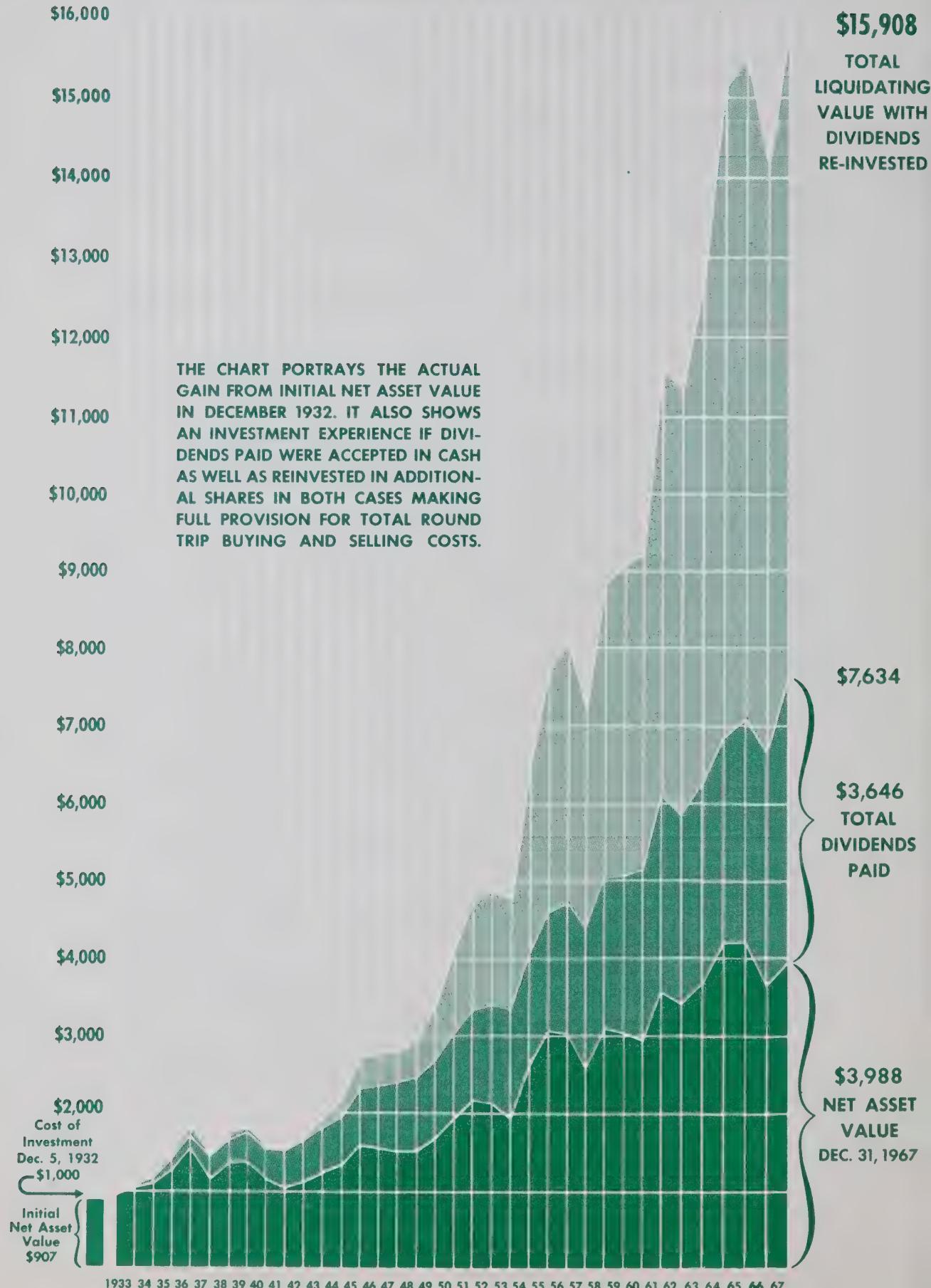
SUPERVISION

The Company's investments are continuously supervised by the firm of Calvin Bullock, Ltd., founded in 1894, the oldest organization in North America specializing in the supervision of investment companies. Investment company assets under its supervision total over \$800,000,000.

COST OF OPERATION

Despite continuing rising costs of doing business, the ratio of your Company's operating expenses last year was only forty-five one hundredths of one percent of average daily net assets. The ratio as a percentage of total net assets at the end of the year was forty-seven one hundredths of one percent. This covered all expenses for investment supervision, directors, dividend paying and transfer agents, custodian, legal and auditing, etc. By industry standards the expense ratio, on either basis, is unusually low.

**AN ILLUSTRATION OF
\$1,000 INVESTED IN CANADIAN INVESTMENT FUND, LTD.
AT PUBLIC OFFERING PRICE DEC. 5TH, 1932**



Outlook . . .

In a further extension of its longest boom, North America's economy continued to expand in 1967. GNP exceeded \$61½ billion in Canada, up 7% from 1966, but barely 3% excluding price increases. If this meant prosperity to the majority of Canadians, it was not reflected in increased corporate profits, a fact predicted in these pages last year. Business found it difficult to adjust rapidly to wage increases induced by the inflationary climate, particularly companies competing with U.S. industry where wage increases have been more moderate.

At a time when the demands in many sectors of the economy pressed hard against physical capacity, Canadian governments did little to moderate their own programs. Consequently, the financing calendar remained heavy. Against this background bond prices suffered and investors were unwilling to commit new funds, except at the highest rates seen this century to compensate for feared erosion in the value of the dollar. This began to inhibit borrowing. The hope of sounder fiscal policies could increase confidence and lead to lower interest rates.

The stock market's confident rebound from the depressed levels of late 1966 added weight to the overwhelming evidence that as long as the economy is growing, carefully selected quality stocks, which represent the ownership of the country's means of production, provide the best way of participating in that growth. Neither the devaluation of sterling nor the disturbing question of international liquidity had any sustained adverse effect on the Canadian stock market last year. Unsettled monetary conditions, however, could eventually have a disruptive effect on international trade, from which Canada derived over 18% of her GNP in 1967. Tightened restrictions on U.S. dollar outflows at year end emphasized the importance of monetary stability in maintaining world trade. The struggle between the disruptive influences and efforts made to contain them could have an important effect on Canada's economy as 1968 unfolds.

There are problems, to be sure, on the international front and closer to home it is not certain that the speculative excesses that often typify the latter stages of an economic boom have been entirely worked out. In spite of this, the chances still seem favourable for a relatively smooth readjustment. An abatement of inflationary forces will take time, but should improve the investment climate and set the stage for a healthier long term growth of the Canadian economy.

People who understand Canada's long term growth prospects know how well the shares of your Company are suited to meet investment problems in an inflationary environment and a constantly changing world. It is gratifying to management that so many of them are shareholders.

* * * *

Presented on succeeding pages, on behalf of the Board of Directors, are complete financial statements, the Auditors' Report, and tax and other information.

Yours very truly,

HUGH BULLOCK, *President*

February 22, 1968.

DIRECTOR

For reasons of health, Mr. George W. Huggett tendered his resignation as a Director. At a meeting on January 9, 1968 the Board accepted the resignation with deep regret and by resolution expressed their appreciation for the devoted services and wise counsel he had rendered to the Company for the past 24 years.

CONVENIENT PLANS

The Canadian Investment Fund Growth Plan was made available to investors in 1949 as the first compounding accumulation plan based on equities in Canada. Terms of the plan are modest and flexible. It is a purely voluntary, no penalty savings plan. Based on the actual operating record of your Company, an assumed plan investing \$1,000 annually in quarterly payments, starting January 1, 1933, all dividends reinvested, could have been liquidated for \$179,444 at December 31, 1967.

The Canadian Investment Fund Retirement Savings Plan is a flexible plan meeting the requirements of the Income Tax Act as a registered retirement savings plan affording the opportunity to individuals in Canada with earned income to utilize important current tax savings to provide retirement income.

Full details on these plans are available from any investment dealer in Canada, without obligation.

NATIONAL ENDEAVOUR

The federal government has taken steps in recent years to encourage the most effective use of Canadian savings in the development, management and control of the Canadian economy. When making tax changes to this end reference was made to the diversification of investment provided by mutual funds and recognition was given the important role that they, along with other investment companies and pension funds, play in providing a large flow of the savings of individuals towards investment in the ownership of Canadian industry. Canadian mutual fund investment in common stocks of Canadian companies had increased to approximately \$1,000 million at the end of 1967, up from \$507 million five years earlier.

A PROGRAM FOR DIVERSIFICATION

There is a tendency, at times, for investors to consider the shares of your Company as just another stock. In actual fact, the shares represent a broad program — a medium through which wide diversity of investment is obtained in a sound and convenient manner under constant and experienced supervision.

A \$10,000 INVESTMENT

On pages 18 to 21 of this report is shown a complete list of all the investments of your Company at December 31, 1967, giving the amount held as well as market values at that date. Also shown in the column at the far right of that listing, in green, is the dollar amount in each security represented by a \$10,000 investment in the Fund at asset value on that date. On that basis it will be seen that, except in the case of two issues, not as much as \$500 was invested in any single security. Of the stock investments, 6 issues ranged from \$400 to \$500, 1 from \$300 to \$400, 9 from \$200 to \$300, 10 from \$100 to \$200, and 37 issues represented less than \$100 each. Larger or smaller invested amounts would be proportionate.

\$50,000,000,000

Total individual issues in the Company's portfolio at the end of last year numbered 70, and comprised of 6 bond issues, 15 preferred stocks, and the common stocks of 46 corporations having gross assets of more than \$50,000,000,000.

The wide diversity and great depth of security provided by investment in the Company's shares are thus readily apparent.

The Board of Directors



Graham F. Towers, C.M.G.
Chairman

Original head for 20 years, Bank of Canada; Chairman, British Petroleum Co. of Canada Ltd., Canada Life Assurance Co.; Director, Bell Telephone Company of Canada, Moore Corporation, Ltd., Hudson's Bay Co.



Hugh Bullock, K.B.E.
President

Chairman and Chief Executive Officer, Calvin Bullock, Ltd., New York, and Chairman or President of other investment companies under Calvin Bullock supervision. A pioneer in the investment company industry, with over forty years of investment experience.



Henry Borden, C.M.G.

Chairman, British Newfoundland Corp. Ltd.; Director, Bell Telephone Company of Canada, Brazilian Light & Power Co. Ltd., Canadian Imperial Bank of Commerce, Massey-Ferguson Ltd., International Business Machines Co. Ltd.



Hon. F. P. Brais, C.B.E.

Senior Partner, Brais, Campbell, Pepper and Durand; Chairman, Banque Canadienne Nationale, Director, Canadian Pacific Railway Company, Fraser Companies, Limited, Sun Life Assurance Co. of Canada.



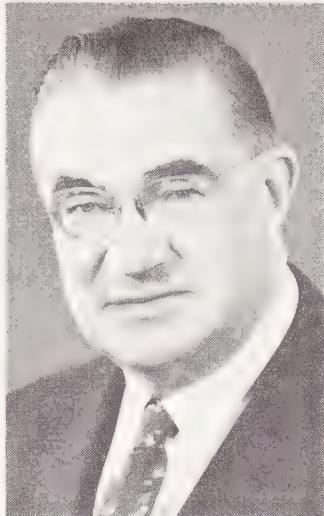
Alan Chippindale
Managing Director

President, Calvin Bullock, Ltd., Montreal; Vice President, Calvin Bullock, Ltd., New York. A mutual fund industry leader in Canada for over thirty-five years. Founding President of The Canadian Mutual Funds Association.



Norris R. Crump

Chairman and Chief Executive Officer, Canadian Pacific Railway Co.; Director, Bank of Montreal, Cominco Ltd., International Nickel Co. of Canada Ltd., Mutual Life Assurance Co. of Canada.



Donald Gordon, C.M.G.

President and Chief Executive Officer, British Newfoundland Corp. Ltd. and Director of several other Canadian companies; former Chairman and President, Canadian National Railways.



G. Blair Gordon

Director, Brazilian Light & Power Company, Dominion Textile Co., Ltd., Hudson Bay Insurance Co., Mutual Life Assurance Co. of Canada, Penmans Limited, The Royal Trust Company.



G. Arnold Hart, M.B.E.

President and Chairman, Bank of Montreal; Director, Cominco Ltd., Consolidated-Bathurst Limited, Ogilvie Flour Mills Co., Ltd., Steel Company of Canada Ltd., Sun Life Assurance Co. of Canada.



George W. Huggett*

Former President, Du Pont of Canada Limited; Hon. Director, The Royal Trust Company.

**Retired, January, 1968.*



W. S. Kirkpatrick

Chairman and Chief Executive Officer, Cominco Ltd.; Director, Bank of Montreal, Consolidated-Bathurst Limited, The Royal Trust Company.

Canadian Investment Fund, Ltd.

Investment Changes

DECEMBER 31, 1966 — DECEMBER 31, 1967

Purchases

	NET INCREASE	NEW TOTAL
COMMON STOCKS		
Bank of Montreal (1).....	293,000	363,000
Bank of Nova Scotia (2).....	64,000	80,000
Banque Canadienne Nationale (2).....	44,000	55,000
Canada Packers Limited "A".....	1,000	20,000
Canadian Imperial Bank of Commerce (1)....	205,000	255,000
Canadian Industries Limited.....	1,000	68,000
Dome Mines Ltd.	10,000	40,000
General Electric Company.....	5,000	35,000
Home Oil Company Limited "A".....	5,000	40,000
Interprovincial Pipe Line Company (1).....	289,000	350,000
Moore Corporation, Limited (3).....	283,000	385,000
Royal Bank of Canada (1).....	221,000	275,000
Simpsons, Limited.....	14,000	81,000
Steel Company of Canada Ltd.	20,000	190,000
Toronto-Dominion Bank (2).....	96,000	120,000
Trans Canada Pipe Lines Ltd.	15,000	104,000
Woodward Stores Ltd. "A" (4).....	31,000	61,000
F. W. Woolworth Co.	40,000	40,000
PREFERRED STOCKS		
Aluminum Co. of Canada, Ltd., 4½%	1,000	6,000
Canadian Pacific Railway Co., 4% Non-cum..	\$390,000	\$390,000
BONDS		
Gov't of Canada, 6% 4/ 1/71 Conv.....	\$3,000,000	\$ 3,000,000
Gov't of Canada, 6½% 12/ 1/73 Conv.....	1,000,000	1,000,000
Gov't of Canada, 5½% 10/ 1/75.....	1,000,000	1,000,000
Can. Nat. Rwy. Co., 5½% 1971.....	2,000,000	11,000,000

(1) Split 5 for 1 plus shares purchased.

(2) Split 5 for 1.

(3) Split 4 for 1 less shares sold.

(4) Split 2 for 1 plus shares purchased.

Canadian Investment Fund, Ltd.

Investment Changes — *Continued*

DECEMBER 31, 1966 — DECEMBER 31, 1967

Sales

	NET DECREASE	NEW TOTAL
	Shares	Shares
COMMON STOCKS		
Alcan Aluminium Limited.....	10,000	100,000
Bell Telephone Co. of Canada.....	1,000	164,000
Canada Cement Company, Limited.....	1,000	50,000
Canadian Pacific Railway Co.....	25,000	60,000
Cominco Ltd.....	5,000	70,000
Consolidated-Bathurst Limited.....	20,000	70,000
Distillers Corp.-Seagrams Ltd.....	3,000	86,000
Dominion Foundries & Steel, Ltd.....	1,000	96,000
Dominion Glass Company Ltd.....	60,000	Nil
Hudson Bay Min. & Smelt. Co. Ltd.....	20,000	Nil
Imperial Oil Ltd.....	6,000	125,000
International Paper Co.....	59,000	Nil
Loblaw Companies Ltd. "A".....	33,000	37,000
Loblaw Companies Ltd. "B".....	38,000	162,000
MacMillan, Bloedel Limited.....	29,000	171,000
Mobil Oil Corporation.....	10,000	60,000
Noranda Mines, Limited.....	30,000	20,000
Texaco Canada Limited.....	10,000	Nil
Quebec Natural Gas Corp.....	85,000	Nil
Quebec Natural Gas Corp.—Warrants.....	2,750	Nil
Hiram Walker-Goodeham & Worts, Ltd.....	4,000	250,000
George Weston Limited "A".....	30,000	31,000
George Weston Limited "B".....	48,000	7,000
PREFERRED STOCKS		
Canadian Industries Limited, 7½%	1,600	Nil
BONDS		
Gov't of Canada, 5½% 4/ 1/69.....	\$1,000,000	Nil
Gov't of Canada, 5¾% 10/ 1/69.....	3,000,000	Nil

Canadian Investment Fund, Ltd.

Investments

AT DECEMBER 31, 1967

Common Stocks

	SHARES	MARKET VALUE†	PROPORTION OF A \$10,000 INVESTMENT*
AUTOMOTIVE			
General Motors Corp.....	83,000	\$ 7,350,480	\$ 418
BANK AND FINANCE			
Bank of Montreal.....	363,000	\$ 4,083,750	232
Bank of Nova Scotia.....	80,000	1,130,000	64
Banque Canadienne Nationale.....	55,000	605,000	35
Canadian Imperial Bank of Comm.	255,000	3,570,000	203
Industrial Acceptance Corp. Ltd...	230,000	4,600,000	261
Royal Bank of Canada.....	275,000	4,365,625	248
Toronto-Dominion Bank.....	120,000	1,635,000	93
		\$19,989,375	\$1,136
BUILDING			
Canada Cement Company, Limited	50,000	\$ 1,450,000	\$ 82
CHEMICAL			
Canadian Industries Limited.....	68,000	\$ 1,071,000	\$ 61
Du Pont of Canada Ltd.....	35,000	875,000	50
Union Carbide Canada Ltd.....	50,000	850,000	48
		\$ 2,796,000	\$ 159
FOOD & BEVERAGE			
Canada Packers Limited "A".....	20,000	\$ 1,680,000	\$ 96
Distillers Corp.-Seagrams Ltd.....	86,000	3,397,000	193
Ogilvie Flour Mills Co. Ltd.....	60,000	847,500	48
Hiram Walker-Gooderham & W. Ltd.	250,000	8,218,750	467
George Weston Limited "A".....	31,000	461,125	26
George Weston Limited "B".....	7,000	113,750	6
		\$14,718,125	\$ 836

	SHARES	MARKET VALUE†	PROPORTION OF A \$10,000 INVESTMENT*
HEAVY INDUSTRY			
Dominion Foundries & Steel, Ltd..	96,000	\$ 1,824,000	\$ 103
General Electric Company.....	35,000	3,628,800	206
Steel Company of Canada, Ltd....	190,000	3,847,500	219
		<hr/> \$ 9,300,300	<hr/> \$ 528
MINING			
Alcan Aluminium Limited.....	100,000	\$ 2,825,000	\$ 161
Cominco Ltd.....	70,000	1,767,500	100
Dome Mines Ltd.....	40,000	2,450,000	139
International Nickel Co. of Can. Ltd.	60,000	7,560,000	430
Noranda Mines, Limited	20,000	1,030,000	58
		<hr/> \$15,632,500	<hr/> \$ 888
PAPER & NEWSPRINT			
Abitibi Paper Company Limited...	212,000	\$ 1,722,500	\$ 98
Consolidated-Bathurst Limited....	70,000	1,513,750	86
Crown Zellerbach Corp.....	9,000	444,690	25
MacMillan, Bloedel Limited.....	171,000	4,061,250	231
		<hr/> \$ 7,742,190	<hr/> \$ 440
PETROLEUM			
British American Oil Co. Ltd.....	50,000	\$ 1,887,500	\$ 108
Home Oil Company Limited "A" ..	40,000	1,005,000	57
Imperial Oil Ltd.....	125,000	8,750,000	497
Interprovincial Pipe Line Company	350,000	7,568,750	430
Mobil Oil Corporation	60,000	2,762,100	157
Standard Oil Company (N.J.)....	63,000	4,592,700	261
		<hr/> \$26,566,050	<hr/> \$1,510

	<u>SHARES</u>	<u>MARKET VALUE†</u>	<u>PROPORTION OF A \$10,000 INVESTMENT*</u>
PUBLIC UTILITY			
Bell Telephone Co. of Canada.....	164,000	\$ 7,339,000	\$ 417
Consumers' Gas Company.....	300,000	6,000,000	341
Trans-Canada Pipe Lines Ltd.....	104,000	2,886,000	164
Trans-Canada Pipe Lines Ltd.-Wts.	2,250	17,100	1
Union Gas Co. of Canada, Ltd....	292,000	4,489,500	255
		<u>\$20,731,600</u>	<u>\$1,178</u>
RETAIL TRADE			
Loblaw Companies Ltd. "A".....	37,000	\$ 254,375	\$ 14
Loblaw Companies Ltd. "B".....	162,000	1,154,250	66
Simpsons, Limited.....	81,000	2,733,750	155
Woodward Stores Ltd. "A".....	61,000	1,090,375	62
F. W. Woolworth Co.....	40,000	1,090,800	62
		<u>\$ 6,323,550</u>	<u>\$ 359</u>
TEXTILE			
Dominion Textile Co. Ltd.....	12,000	\$ 210,000	\$ 12
MISCELLANEOUS			
Canadian Pacific Railway Co.....	60,000	\$ 3,495,000	\$ 199
Moore Corporation, Limited.....	385,000	11,261,250	640
		<u>\$ 14,756,250</u>	<u>\$ 839</u>
TOTAL COMMON STOCKS.....		<u>\$147,566,420</u>	<u>\$8,385</u>

Preferred Stocks

	<u>SHARES</u>	<u>MARKET VALUE†</u>	<u>PROPORTION OF A \$10,000 INVESTMENT*</u>
Alcan Aluminium Ltd., 4 1/4% Conv.	9,000	\$ 316,125	\$ 18
Aluminum Co. of Canada, Ltd., 4% ..	7,000	133,000	8
Aluminum Co. of Canada, Ltd., 4 1/2%	6,000	231,000	13

(Continued on next page)

Preferred Stocks (Continued from preceding page)

	SHARES	MARKET VALUE†	PROPORTION OF A \$10,000 INVESTMENT*
Chemcell Limited, \$1.75 Series.....	8,200	\$ 217,300	\$ 13
Dominion Glass Co., Ltd., 7% Conv..	15,000	165,000	9
Dominion Textile Co. Ltd., 7%	1,200	123,000	7
Howard Smith Paper Mills Ltd., \$2.00	2,000	66,500	4
Ind. Accept. Corp. Ltd., 4½% \$100 par	4,000	309,000	17
Ind. Accept. Corp. Ltd., 5¾%	60,000	1,320,000	75
Quebec Natural Gas Corp., 5½% ...	2,750	189,062	11
Texaco Canada Limited, 4%	738	51,660	3
Trans-Canada Pipe Lines Ltd., \$2.80	4,500	202,500	11
George Weston Limited, 4½%	3,000	214,500	12
Zeller's Limited, 4½%	5,000	205,000	12
Can. Pac. Rwy. Co., 4% Non-cum.	\$390,000	266,500	15
TOTAL PREFERRED STOCKS.....		\$ 4,010,147	\$ 228

Bonds

	PRINCIPAL AMOUNT	MARKET VALUE†	PROPORTION OF A \$10,000 INVESTMENT*
Gov't of Can., 5½% 10/ 1/69.....	\$ 1,000M	\$ 986,500	\$ 56
Gov't of Can., 5¾% 12/15/70.....	3,000M	2,958,000	168
Gov't of Can., 6% 4/ 1/71 Conv.	3,000M	2,977,500	169
Gov't of Can., 6¼% 12/ 1/73 Conv.	1,000M	990,000	56
Gov't of Can., 5½% 10/ 1/75.....	1,000M	923,750	53
Can. Nat. Rwy. Co., 5½% 1971...	11,000M	10,560,000	600
TOTAL BONDS.....		\$19,395,750	\$1,102
TOTAL INVESTMENTS.....		\$170,972,317	\$9,715
CASH, ETC., NET.....		5,014,931	285
TOTAL NET ASSETS.....		\$175,987,248	\$10,000

†Investments valued at market quotations. Market values of United States securities are expressed in Canadian funds at the rate of exchange prevailing on December 31, 1967, 8% premium on U.S. funds.

*Dollar amount for each security represented by a \$10,000 investment in the Fund at asset value on that date.

Canadian Investment Fund, Ltd. (Incorporated under Canada Corporations Act)

Statement of Net Assets (Balance Sheet) - December 31, 1967 (and comparative figures for 1966)

ASSETS	1967	1966
Investments at market value (Note 1) (average cost — 1967—\$123,362,873 1966—\$124,333,595).....	\$170,972,317	\$162,944,899
Cash on deposit, demand —		
The Royal Trust Company, Montreal.....	4,336,272	5,500,351
Interest accrued and dividends receivable.....	980,049	997,157
Due by subscriber to capital stock.....	70,582	216,242
Receivable in respect of securities sold.....	—	14,368
Prepaid expenses.....	1,776	—
TOTAL ASSETS.....	<u>\$176,360,996</u>	<u>\$169,673,017</u>
LIABILITIES		
Payable in respect of securities purchased.....	\$ 4,500	\$ 261,677
Payable for special shares of capital stock redeemed or purchased for cancellation.....	139,483	128,973
Management and directors' compensation payable.....	169,430	160,077
Accrued expenses and sundry accounts payable.....	8,283	18,210
United States withholding tax.....	4,487	3,973
Canadian taxes on income.....	47,565	44,015
TOTAL LIABILITIES.....	<u>\$ 373,748</u>	<u>\$ 616,925</u>
NET ASSETS AT MARKET VALUE.....	<u>\$175,987,248</u>	<u>\$169,056,092</u>
NET ASSET VALUE PER SHARE.....	<u>\$3.98</u>	<u>\$3.68</u>

SHAREHOLDERS' EQUITY

CAPITAL STOCK:

Special shares of 33 $\frac{1}{3}$ cents each (redeemable on demand by the holders at liquidating value as provided in the Letters Patent of the Company) —

Authorized —

75,000,000 shares of which 24,978,465 (1966—21,499,805) have been redeemed or purchased for cancellation from inception

Outstanding—

44,122,612 shares (1966 — 45,825,950 shares)	\$ 14,707,537	\$ 15,275,317
<hr/>		
Ordinary shares —		
Authorized and outstanding —		
3,000 shares of 33 $\frac{1}{3}$ cents each	1,000	1,000
TOTAL CAPITAL STOCK	\$ 14,708,537	\$ 15,276,317
<hr/>		
SURPLUS, as per statements annexed:		
Paid-in surplus	\$ 79,486,321	\$ 85,862,069
Earned surplus	34,182,946	29,306,402
TOTAL SURPLUS	\$113,669,267	\$115,168,471
UNREALIZED APPRECIATION OF INVESTMENTS (Note 1)	\$ 47,609,444	\$ 38,611,304
SHAREHOLDERS' EQUITY AS PER NET ASSETS ABOVE	\$175,987,248	\$169,056,092
<hr/>		

Approved on behalf of the Board:

G. F. TOWERS, *Director*
ALAN CHIPPINDALE, *Director*

Canadian Investment Fund, Ltd.

Statement of Income Account

FOR THE YEAR ENDING DECEMBER 31, 1967
(and comparative figures for 1966)

	<u>1967</u>	<u>1966</u>
INCOME:		
Cash dividends.....	\$5,967,604	\$5,851,461
Bond interest.....	1,089,531	918,542
Interest on cash deposits.....	294,406	546,178
Proceeds — dividends in stock, and rights.....	136,350	127,199
	<u>\$7,487,891</u>	<u>\$7,443,380</u>
EXPENSES:		
Management.....	\$ 610,959	\$ 593,474
Transfer, dividend paying agent's and custodian's fees.....	66,682	63,940
General expenses and auditors' fees	59,941	56,311
Taxes, other than income taxes.....	2,925	3,148
Legal fees and expenses.....	7,782	6,272
Directors' compensation.....	85,500	83,375
	<u>\$ 833,789</u>	<u>\$ 806,520</u>
Net income before providing for the items shown below.....	\$6,654,102	\$6,636,860
United States withholding and Canadian income taxes paid and provided for	<u>267,957</u>	<u>284,449</u>
Net income, exclusive of profit or loss from sales of securities.....	<u>\$6,386,145</u>	<u>\$6,352,411</u>

Canadian Investment Fund, Ltd.

Statement of Distribution Account FOR THE YEAR ENDING DECEMBER 31, 1967 (and comparative figures for 1966)

	<u>1967</u>	<u>1966</u>
Balance of income account, as annexed	\$6,386,145	\$6,352,411
Balance of distribution account at beginning of year.....	2,439,336	2,458,578
Received on subscriptions to capital stock to equalize the per share amount available for distribution on the then outstanding shares (dividends declared are first chargeable against this amount) as provided by resolutions of the Board of Directors.....	81,495	127,355
Transferred from profits on sales of securities an amount equal to management and directors' compensation charged to income.....	696,459	676,849
	<u>\$9,603,435</u>	<u>\$9,615,193</u>
<i>Deduct:</i>		
Dividends paid —		
Special shares.....	\$7,225,128	\$7,066,086
Ordinary shares.....	480	465
Amounts included in prices of special shares redeemed or purchased for cancellation, equal to the per share portion of income and distribution accounts.....	154,309	109,306
	<u>\$7,379,917</u>	<u>\$7,175,857</u>
Balance of distribution account at end of year.....	<u>\$2,223,518</u>	<u>\$2,439,336</u>
Included in paid-in surplus, annexed..	\$ 10,112	\$ 18,476
Included in earned surplus, annexed..	2,213,406	2,420,860
	<u>\$2,223,518</u>	<u>\$2,439,336</u>

Canadian Investment Fund, Ltd.

Statement of Surplus Account

FOR THE YEAR ENDING DECEMBER 31, 1967
(and comparative figures for 1966)

PAID-IN SURPLUS:	1967	1966
Balance at beginning of year.....	\$ 85,862,069	\$ 84,978,424
Less: Included in beginning balance of distribution account, annexed	18,476	18,355
	<u>\$ 85,843,593</u>	<u>\$ 84,960,069</u>
Proceeds from 1,775,322 special shares (1966—2,822,718 shares) subscribed for, not including portion of sub- scription price credited to distribu- tion account, annexed.....	\$ 7,087,193	\$ 10,870,813
Less: Par value thereof.....	591,774	940,906
	<u>\$ 6,495,419</u>	<u>\$ 9,929,907</u>
	<u>\$ 92,339,012</u>	<u>\$ 94,889,976</u>
<i>Deduct:</i>		
Consideration paid on redemption or purchase for cancellation of 3,478,660 special shares (1966— 2,539,387 shares) during the year, not including amount charged to distribution account, annexed...	\$ 14,022,356	\$ 9,892,845
Less: Par value thereof.....	1,159,553	846,462
	<u>\$ 12,862,803</u>	<u>\$ 9,046,383</u>
	<u>\$ 79,476,209</u>	<u>\$ 85,843,593</u>
	<u>10,112</u>	<u>18,476</u>
Balance of paid-in surplus at end of year.....	<u>\$ 79,486,321</u>	<u>\$ 85,862,069</u>
EARNED SURPLUS:		
Net realized profits from sales of securities:		
Balance at beginning of year.....	\$ 26,885,542	\$ 23,557,791
Net realized profits during year...	5,780,457	4,004,600
	<u>\$ 32,665,999</u>	<u>\$ 27,562,391</u>
Less: Amount transferred to distri- bution account.....	696,459	676,849
Balance at end of year.....	<u>\$ 31,969,540</u>	<u>\$ 26,885,542</u>
Portion of balance of distribution account at end of year, annexed..	<u>2,213,406</u>	<u>2,420,860</u>
Balance of earned surplus at end of year.....	<u>\$ 34,182,946</u>	<u>\$ 29,306,402</u>
Total surplus at end of year.....	<u>\$113,669,267</u>	<u>\$115,168,471</u>

Canadian Investment Fund, Ltd.

Statement of Changes In Net Assets FOR THE YEAR ENDING DECEMBER 31, 1967 (and comparative figures for 1966)

	<u>1967</u>	<u>1966</u>
Net assets at beginning of year.....	\$169,056,092	\$190,056,156
Net investment income.....	6,386,145	6,352,411
Income equalization receipts and payments—net.....	(72,815)	18,049
Net realized profits from sales of securities.....	5,780,457	4,004,600
	<u>\$181,149,879</u>	<u>\$200,431,216</u>
Unrealized appreciation of investments:		
Balance at end of year.....	\$ 47,609,444	\$ 38,611,304
Balance at beginning of year.....	38,611,304	63,897,845
Increase (decrease) during the year ..	\$ 8,998,140	(\$ 25,286,541)
	<u>\$190,148,019</u>	<u>\$175,144,675</u>
Proceeds from issue of special shares, as per surplus account annexed.....	\$ 7,087,193	\$ 10,870,813
Consideration paid on redemptions or purchases for cancellation of special shares, as per surplus account annexed	14,022,356	9,892,845
	<u>(\$ 6,935,163)</u>	<u>\$ 977,968</u>
	<u>\$183,212,856</u>	<u>\$176,122,643</u>
Cash dividends paid.....	7,225,608	7,066,551
NET ASSETS AT END OF YEAR...	<u>\$175,987,248</u>	<u>\$169,056,092</u>

Notes to the Financial Statements

1. The Company adopted, in 1967, the practice of presenting in the financial statements the investments of the Company at market value. This practice is in accordance with generally accepted accounting principles as applied to mutual funds. Previously, investments were shown at average cost. This change in practice has no effect upon the net income for the year.

The 1966 figures have been restated for purposes of comparison.

2. During the year ended December 31, 1967, 1,775,322 special shares were issued for a total consideration of \$7,168,688 (including \$81,495 credited to distribution account) and 3,478,660 special shares were redeemed or purchased for cancellation at a total cost of \$14,176,665 (including \$154,309 charged to distribution account).

3. For the year ended December 31, 1967, investment portfolio purchases aggregated \$7,319,381 excluding all purchases of government and government guaranteed bonds which amounted to \$7,003,750. Proceeds from investment portfolio sales aggregated \$17,092,131 excluding proceeds from all sales of government and government guaranteed bonds which amounted to \$3,982,000.

Auditors' Report

TO THE SHAREHOLDERS OF
CANADIAN INVESTMENT FUND, LTD.:

We have examined the statement of net assets of Canadian Investment Fund, Ltd., as at December 31, 1967 and the statements of income, distribution and surplus accounts and of changes in net assets for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. The Royal Trust Company, as custodian, has confirmed to us that it held the securities representing the Company's investments, and the balances of cash on deposit at December 31, 1967 for the Company's account.

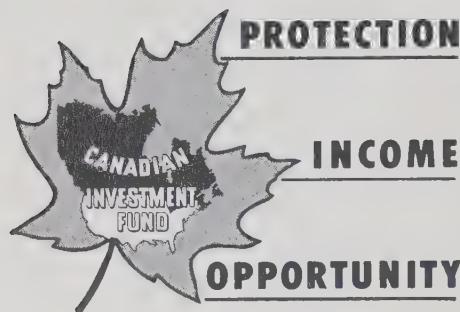
In our opinion these financial statements present fairly the financial position of the Company as at December 31, 1967 and the results of its operations and the changes in net assets for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year except for the change (with which we concur) in the manner of presentation of investments as explained in Note 1 to the financial statements.

PRICE WATERHOUSE & CO.,
Chartered Accountants.

Montreal, January 5, 1968

In the opinion of counsel, shareholders of the Company who were individuals resident in Canada in 1967 will, in determining their income tax liability to Canada, be entitled to take into consideration dividends received from this Company in that year when computing the 20% dividend tax credit permitted under the terms of Section 38 of the Canadian Income Tax Act.

Residents of the Province of Quebec may similarly take such dividends into consideration for the purpose of their Provincial income tax and the 10% net dividend tax credit.



*"Upon the whole surface
of the globe,
there is no more spacious
and splendid domain
than Canada
open to the activity
and genius of free men."*

— SIR WINSTON CHURCHILL

CANADIAN INVESTMENT FUND LTD.

INCORPORATED 1932

AR28

138th
Consecutive
Quarterly
Dividend

Payable August 1, 1967

PRESS COPY

Canada's Original Mutual Fund

CANADIAN INVESTMENT FUND, LTD.

INVESTMENT

COMMON STOCKS

Shares
Held Approx.
Percent.*

AUTOMOTIVE

General Motors Corporation..... 83,000 3.69%

BANK AND FINANCE

Bank of Montreal.....	356,000	2.49%
Bank of Nova Scotia.....	80,000	.62
Banque Canadienne Nationale.....	11,000	.34
Canadian Imperial Bank of Commerce.....	51,000	1.81
Industrial Acceptance Corp. Ltd.....	230,000	2.87
Royal Bank of Canada.....	275,000	2.32
Toronto-Dominion Bank.....	120,000	.84
		11.29%

BUILDING

Canada Cement Company, Limited..... 50,000 1.05%

CHEMICAL

Canadian Industries Limited.....	68,000	.70%
Du Pont of Canada Limited.....	35,000	.55
Union Carbide Canada Limited.....	50,000	.54
		1.79%

FOOD & BEVERAGE

Canada Packers Limited "A".....	20,000	.86%
Distillers Corp.-Seagrams Ltd.....	86,000	1.75
Ogilvie Flour Mills Co. Ltd.....	60,000	.42
Hiram Walker-Gooderham & Worts, Ltd.....	250,000	4.55
George Weston Limited "A".....	48,500	.49
George Weston Limited "B".....	38,000	.41
		8.48%

HEAVY INDUSTRY

Dominion Foundries & Steel Limited.....	97,000	1.21%
General Electric Company.....	35,000	1.76
Steel Company of Canada Ltd.....	186,000	2.35
		5.32%

MINING

Alcan Aluminium Limited.....	100,000	1.60%
Cominco Ltd.....	70,000	1.14
Dome Mines Ltd.....	40,000	1.07
International Nickel Co. of Canada, Ltd.....	60,000	3.25
Noranda Mines, Limited.....	30,000	.86
		7.92%

COMMON STOCKS—Continued

Shares
Held Approx.
Percent.*

PAPER & NEWSPRINT

Abitibi Paper Co. Ltd.....	212,000	1.08%
Consolidated Paper Corp. Ltd.....	90,000	1.74
Crown Zellerbach Corp.....	9,000	.25
International Paper Co.....	40,000	.68
MacMillan, Bloedel Limited.....	190,000	2.85
		6.60%

PETROLEUM

British American Oil Co. Ltd.....	50,000	1.00%
Home Oil Company Limited "A".....	40,000	.44
Imperial Oil Ltd.....	135,000	4.55
Interprovincial Pipe Line Company.....	350,000	4.41
Mobil Oil Corporation.....	60,000	1.38
Standard Oil Company (N.J.).....	63,000	2.23
		14.01%

PUBLIC UTILITY

Bell Telephone Co. of Canada.....	165,000	4.30%
Consumers' Gas Company.....	300,000	2.94
Trans-Canada Pipe Lines Ltd.....	100,000	1.65
Trans-Canada Pipe Lines Ltd.—Warrants.....	2,250	.01
Union Gas Co. of Canada, Ltd.....	292,000	2.27
		11.17%

RETAIL TRADE

Loblaw Companies Ltd. "A".....	60,000	.24%
Loblaw Companies Ltd. "B".....	190,000	.78
Simpsons, Limited.....	80,000	1.21
Woodward Stores Ltd. "A".....	61,000	.52
		2.75%

TEXTILE

Dominion Textile Co. Ltd.....	12,000	.13%
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MISCELLANEOUS

Canadian Pacific Railway Company.....	70,000	2.65%
Dominion Glass Company Ltd.....	5,000	.03
Moore Corporation Ltd.....	394,000	6.56
		9.24%

TOTAL COMMON STOCKS.....

83.44%

AT JUNE 30, 1967

INVESTMENT CHANGES

PREFERRED STOCKS

	Shares Held	Approx. Percent.*
Alcan Aluminium Limited, 4 1/4% Conv.	9,000	.19%
Aluminum Co. of Canada Ltd., 4%	7,000	.07
Aluminum Co. of Canada Ltd., 4 1/2%	6,000	.14
Canadian Industries Limited, 7 1/2%	1,600	.06
Chemcell Limited, \$1.75 Series	8,200	.14
Dominion Glass Company Ltd., 7%	15,000	.11
Dominion Textile Co. Ltd., 7%	1,200	.07
Howard Smith Paper Mills Ltd., \$2.00	2,000	.04
Industrial Acceptance Corp. Ltd., 4 1/2% \$100 par	4,000	.18
Industrial Acceptance Corp. Ltd., 5 3/4%	60,000	.80
Quebec Natural Gas Corp., 5 1/2%	2,750	.13
Texaco Canada Limited, 4%	738	.03
Trans-Canada Pipe Lines Ltd., \$2.80	4,500	.12
George Weston Limited, 4 1/2%	3,000	.14
Zeller's Limited, 4 1/2%	5,000	.12
TOTAL PREFERRED STOCKS		2.34%

BONDS

	Principal Amount	Approx. Percent.*
Gov't of Canada, 5 1/2% Apr. 1, 1969	\$ 1,000M	.54%
Gov't of Canada, 5 1/2% Oct. 1, 1969	1,000M	.54
Gov't of Canada, 5 3/4% Oct. 1, 1969	3,000M	1.62
Gov't of Canada, 5 3/4% Dec. 15, 1970	3,000M	1.62
Gov't of Canada, 5 1/2% Oct. 1, 1975	1,000M	.52
Cdn. National Railway Co., 5 1/2% 1971	11,000M	5.80
TOTAL BONDS		10.64%
TOTAL INVESTMENTS		96.42%
CASH, ETC., NET		3.58
TOTAL NET ASSETS		100.00%

MARCH 31, 1967

JUNE 30, 1967

PURCHASES

	Net Increase	New Total
	Shares	Shares
COMMON STOCKS		
Bank of Montreal (1)	285,000	356,000
Bank of Nova Scotia (2)	64,000	80,000
Dome Mines Ltd.	10,000	40,000
Imperial Oil Ltd.	5,000	135,000
Interprovincial Pipe Line Company (1)	284,000	350,000
Moore Corporation Ltd. (3)	293,000	394,000
Royal Bank of Canada (2)	220,000	275,000
Steel Company of Canada	1,000	186,000
Toronto-Dominion Bank (2)	96,000	120,000
Trans-Canada Pipe Lines Ltd.	8,000	100,000
Woodward Stores Ltd. "A" (4)	31,000	61,000

SALES

	Net Decrease	New Total
	Shares	Shares
COMMON STOCKS		
Alcan Aluminium Limited	19,000	100,000
Cominco Ltd.	5,000	70,000
Dominion Glass Company Ltd.	55,000	5,000
Hudson Bay Mining & Smelting Co. Ltd.	14,500	Nil
International Paper Co.	5,000	40,000
Loblaw Companies Ltd. "A"	10,000	60,000
Loblaw Companies Ltd. "B"	10,000	190,000
MacMillan, Bloedel Limited	10,000	190,000
Mobil Oil Corporation	10,000	60,000
Noranda Mines, Limited	4,000	30,000
George Weston Limited "A"	12,500	48,500
George Weston Limited "B"	17,000	38,000

(1) Split 5 for 1 plus shares purchased

(2) Split 5 for 1

(3) Split 4 for 1 less shares sold

(4) Split 2 for 1 plus shares purchased

* Approximate percentage of total net assets of \$186,162,275.91 with investments valued at market quotations.

CANADIAN INVESTMENT FUND, LTD.

C-I-L HOUSE, MONTREAL 2, CANADA

QUARTERLY DIVIDEND

A dividend of four cents (\$0.04) per share, Canadian funds, on the Special and Ordinary shares of your Company was declared by the Board of Directors payable August 1, 1967 to shareholders of record July 14, 1967.

A cheque in payment thereof in respect of shares of record on the Company's books on July 14, 1967 is enclosed or has been paid or forwarded in accordance with shareholders' instructions.

From the dividends to shareholders residing outside of Canada, a deduction of 10% has been made to cover the tax imposed at the source by the Canadian Government on all dividends payable to non-residents of Canada. A certificate covering any such deductions will be sent to non-residents soon after the end of the year to assist them in claiming whatever credit against the tax payable to their Government arises from the payment of this tax to Canada.

July 31, 1967

To the Shareholders:

Your Company's 138th consecutive quarterly cash dividend, aggregating more than \$1,800,000.00, is being distributed on August 1, 1967 to shareholders, large and small, comprising individuals in practically every walk of life, as well as many and varied kinds of organizations and institutions. Total cash dividends paid in 1966 amounted to \$7,066,551.22 and since organization exceed \$82,000,000.00.

The current dividend of 4 cents per share is 1 cent higher than the dividend paid on May 1st, 1967 and is the same as the amount paid on August 1st last year. This brings the total amount per share paid for the first three quarterly dividends this year to 10 cents, which is the same amount as the dividends paid in the corresponding period last year. Total payments per share in 1966 reached a record total of 15½ cents.

Although an effort is made to minimize wide fluctuations in the Fund's quarterly payments, some variations are inevitable. Dividends should be considered on an annual basis.

The long-term dividend record of Canadian Investment Fund, Ltd. has shown one of steady and material growth. Dividends more than tripled from 1966, substantially exceeding the 145% rise in the cost of living index in the same period. Dividends are subject to variation in amount. Annual dividends are shown in the following tabulation of payments per share by calendar years:

1933—\$0.04 $\frac{1}{3}$	1940—\$0.05 $\frac{1}{2}$	1947—\$0.06 $\frac{2}{3}$	1954—\$0.09 $\frac{2}{3}$	1961—\$0.12
1934— 0.04 $\frac{5}{6}$	1941— 0.05 $\frac{2}{3}$	1948— 0.07 $\frac{1}{3}$	1955— 0.11 $\frac{1}{3}$	1962— 0.12
1935— 0.04 $\frac{2}{3}$	1942— 0.05 $\frac{2}{3}$	1949— 0.08	1956— 0.12 $\frac{2}{3}$	1963— 0.13
1936— 0.05 $\frac{1}{3}$	1943— 0.05 $\frac{2}{3}$	1950— 0.08 $\frac{1}{3}$	1957— 0.12 $\frac{2}{3}$	1964— 0.13
1937— 0.06 $\frac{2}{3}$	1944— 0.05 $\frac{2}{3}$	1951— 0.09 $\frac{1}{3}$	1958— 0.11 $\frac{1}{3}$	1965— 0.13
1938— 0.05 $\frac{1}{3}$	1945— 0.05 $\frac{2}{3}$	1952— 0.09 $\frac{1}{3}$	1959— 0.12 $\frac{2}{3}$	1966— 0.13
1939— 0.05 $\frac{1}{3}$	1946— 0.06 $\frac{2}{3}$	1953— 0.09 $\frac{1}{3}$	1960— 0.12	

Net portfolio changes in the second quarter of 1967 are included elsewhere in this report. Also included is a complete list of the Company's investments, by group diversification and percentages at June 30, 1967. The broadly diversified portfolio contained 71 individual issues. At that date, bonds, preferred stock, cash, etc., net, amounted to 16.6% of total net assets, with common stock representing 83.4%.

The additional investors who have recently become shareholders are welcomed. Experience indicates that many investors continue to make sizeable purchases, while others buy the shares on a periodic basis through both the Canadian Investment Fund Growth Plan and the tax benefited Canadian Investment Fund Retirement Savings Plan.

Total net assets of your Company at mid-1967 amounted to \$186,162,000, an increase of \$5,305,858 from mid-1966. Outstanding shares numbered 45,265,309. At the end of this year the balance of realized profits on sales of investments stood at \$29,226,000 and, in addition, the quoted market value of investments exceeded their cost by \$54,390,226.

Yours very truly,

HUGH BULLOCK, President.

YOUR COMPANY

POLICY AND RESULTS

adian Investment Fund, Ltd., now in its thirty-fifth year of operation in was formed as a professionally supervised medium for diversified investment ian enterprise. The often stated and continuing policy of the Company is portfolio securities which appear to be attractive from an investment nt. A balance is sought between adequate income and capital growth es. Demonstrating the happy degree to which these twin primary invest- ects on the Company's shares have been achieved, with minimal risks ld of equity securities, is the fact that dividends have substantially more ed and asset value has more than quadrupled since organization.

REHOLDER BENEFITS EXCEED \$164 MILLION

June 30, 1967, over \$80,000,000 in cash dividends had been paid to share- nce organization in 1932. At the same date the balance of realized profits of investments exceeded \$29,700,000 and, in addition, unrealized profits ments amounted to over \$54,300,000. Thus the cumulative benefits to ders from the outset totalled over \$164,000,000, an increase of more than 000 from the end of 1966.

NATIONAL ENDEAVOUR

savings in this Company, directed primarily to common stock investment ian enterprise, may be considered in a very real sense an effective con- to the economic requirements and well-being of this expanding nation.